

Amendments to the Specification:

Please insert the following new heading and paragraph after the title on page 1:

-- RELATED APPLICATION

This invention is a continuation of and claims the benefit of co-pending U.S. Application No. 09/521,051 entitled BUSINESS MODEL FOR LEASING STORAGE ON A DIGITAL RECORDER filed on March 8, 2000, the entire disclosure of which is hereby incorporated by reference and set forth in its entirety for all purposes. --

Please replace the paragraphs at page 1, lines 8-22 with the following rewritten paragraphs:

-- A digital video recorder (DVR), also referred to as Personal Video Recorder (PVR) uses a HDD to store digital content information received via satellite, terrestrial or cable communication channels. The digital format allows the information to be processed under software control regardless of the platform. Decoding, error correction and format conversion have become standard operations. The play-out and recording of content information has become user-programmable through electronic program guides (EPG's) or software agents. The content information received through a live broadcast, e.g., via a TV channel or via the Internet can be time-shifted, time-warped, and edited through this recording equipment. An example of such equipment is the PVR system developed by ~~TiVo~~ TiVo™ and manufactured and marketed by Philips Electronics.

The ~~TiVo~~ TiVo™ system currently comes with a HDD that has a storage capacity of 13.6 GB or 27.2 GB that enables the consumer to store 14 or 30 of video, respectively. The ~~TiVo~~ TiVo™ system uses the MPEG-2 compression algorithm that

permits a range of different video-quality settings. The user can adjust the settings accordingly to four quality levels. At the highest setting the quality is that of the near-DVD level. At the lowest setting, the quality is comparable to that of a VHS tape. The 14-hour PVR is able to record 14 hours at the lowest quality, and 4 hours at the highest quality setting. --

Please replace the paragraph at page 2, lines 4-13 with the following rewritten paragraph:

-- Within this context the inventor therefore proposes to upgrade the storage capacity in a manner that does not require the apparatus to be disconnected from the home network, shipped, etc. The inventor proposes a business model wherein the apparatus has already got a relatively large HDD when acquired by the end-user, but whose capacity is controllable through software. The range determines which area(s) of the disk are accessible for reading or writing. Alternatively or ~~supplementarily~~ combinatively, different compression algorithms are selected through software so as to determine the time available for recording. The upgrade is now obtained through replacing or adjusting the software from a server, e.g., via the Internet, upon the user paying a fee. Alternatively, the software upgrade can be leased temporarily or made part of, e.g., a video-on-demand service or audio-on-demand service. --

Please replace the paragraph at page 4, lines 13-28 with the following rewritten paragraph:

-- Fig. 1 is a block diagram of a first system 100 in the invention. System 100 comprises a CE equipment or apparatus 102 that includes a data recording functionality. A source 104 supplies content information in a digital format, such as audio or video, to

apparatus 102. Apparatus 102 has a data storage 106 for recording the content information via a data read/write unit 108. Unit 108 is also used for reading the data stored for play-out. Storage 106 has a fixed storage capacity that is divided into multiple segments ~~440, 442, ..., 444~~ 110, 112, and 114. A conditional access controller 116 determines which of segments ~~440-444~~ 110, 112, and 114 is or are accessible to read/write unit 108. Controller 116 has an input 118 for receiving control data for setting an access mode of recording system 102. In the illustrated example, controller 116 controls read/write unit 108 through, e.g., selectively controlling the address range of the address decoder (not shown) of unit 108. Alternatively or in addition, controller 116 disables or enables address bits on or more inputs to storage 106, or selects one of multiple compression algorithms for writing the content information to storage 106. Apparatus 102 has these algorithms installed preferably beforehand. Different algorithms need different amounts of memory space to store the initially the same content. Controller input 118 receives the control data from a server 120 via a data network 122, e.g., the Internet. The control data regulate the storage space or segment(s) available to the end-user, or the efficiency of the storing via the selected algorithm. --

**Please replace the paragraph at page 5, lines 5-19 with the following
r written paragraph:**

-- The content information can, but need not, be provided by the same service provider, who controls the adjusting of the storage space available to the end-user. For example, a scenario is feasible wherein the service provider controls both the available storage space and the supply of content information, e.g., via the Internet or via cable, the content information can be labeled in such a way as to automatically determine the effective size of the storage space available, either through selective access to segments ~~440-444~~ 110, 112, and 114 or through specific compression algorithms. For

example, upon downloading the content information in labeled partitions from source 104 (e.g., via server 120), the labels determine the compression algorithm and therefore the quality of the content information as stored. As another example, the user sends a request for specific content information to the service provider and wants a suitable amount of temporary local storage space for recording the content information requested. The user pays a fee and the service provider enables access to a larger portion of storage 106 under appropriate control of controller 116. The user thus is allowed to temporarily access the stored content information, but on expiry of the lease time, read-access to the whole or parts of the content information as stored is denied or its content is overwritten via appropriate control of controller 116, either through commands or executing a software program local to apparatus 102 under control of the service provider. --

Please replace the paragraph at page 7, lines 3-10 with the following rewritten paragraph:

-- U.S. serial no. ~~.....~~ 09/519,546 (attorney docket PH-US 000014) filed ~~...~~ March 6, 2000 for ~~Erik~~ Frederick Ekkel et al., for PERSONALIZING CE EQUIPMENT CONFIGURATION AT SERVER VIA WEB-ENABLED DEVICE. This document relates to the configuring of CE equipment by the consumer. The setting up of the configuration is facilitated by means of delegating the configuring to an application server on the Internet. The consumer enters his/her preferences in a specific interactive Web page through a suitable user-interface of an Internet-enabled device, such as a PC or set-top box or digital cellphone. The application server generates the control data based on the preferences entered and downloads the control data to the CE equipment itself or to the Internet-enabled device. --